**Preliminary results rapid assessment Sinana livestock value chains for fluid milk, traditional butter, large and small ruminants**

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**1 Supply of inputs and services agribusinesses**

* 1. Feed production and supply businesses

Wheat bran is produced by 5 privately owned wheat processing factories and oilcake by more than 10 small scale linseed oil processing factories. The wheat bran is mostly (90%) sold in the District to small shops and large traders and to individual farmers – minimum quantity sold is 50kg. The sales price of wheat bran is Bir 230/qt. Part of the sales to small and large traders is on credit.

Oilcake from linseed is produced by more than 10 small scale factories in Robe town. Demand for oilcake appears to be low; as is the demand for oil itself (oil from Addis is preferred/cheaper?). Oilcake is mostly sold to individual (dairy) farmers in the District at Bir 460/qt. One factory told us that 100kg of oilseed produces about 56kg of oilcake and 28 liter of oil. Oil is sold at Bir 34/l.

Retail shops in town sell small quantities of feed, which they buy from the factories – partly on credit. However, most dairy farmers and ox fatteners buy directly from factories. Horse cart operators use the shops to buy “daily fuel” -wheat bran/oats husks - for their horses. Shops provide credit to some known customers.

Demand for supplementary feed appears to be highest during the dry season when other feed sources are less available.

1.2 Veterinary drugs and services

There are several vet shops in Robe town which sell drug and sometimes vet services to customers. Some of these shops act as whole sellers that sell drugs to other smaller shops. Most drugs are purchased from traders, manufacturers and importers in Addis. The most frequently sold drugs are antibiotics and anti-helmetics. A major complaint appears to be the presence of unlicensed traders, professionals.

1.3 Abattoir

The abattoir is operated by the government and is subdivided into a Muslim and Christian section. They only slaughter large ruminants (mainly oxen) for the restaurant butcheries. Charges are Bir 182/head. Skins are prepared (with salt) and sold to traders (Bir 4/kg – average weith 40 kg) by the owners of the animals with the help of the abattoir staff.

**2 Value chain agri-businesses**

**2.1 Dairy agri-businesses in and near urban centers.**

Commercial dairy processing in Robe town has not yet begun, although the AGP project has started with the formation of a women’s group in the nearby Horoboga PA. In Robe town, one woman was reportedly buying raw milk and processing it into “irgo”. Several restaurants buy milk on contract from urban farmers – some also convert part into ergo.

**2.2 Traditional butter value chain actors**

Traditional butter produced by Senana farmers is predominantly consumed by the households itself and small quantities may be sold in the village markets. The demand for butter is mostly met from butter purchased from outside the District by butter traders (women).

* 1. **Large and small ruminants value chain actors**

The value chain of large ruminants produced by Senana farmers focusses on the District and the Addis market. The local (District) market consists of restaurants and individual customers (during festivals). Most animals for slaughter are oxen, which are previously used to plough. Some bulls are also sold for slaughter. Animals destined for domestic demand outside Senana District are purchased by traders from outside the district. They buy directly from farmers or from District level traders. Further interviews will examine more carefully the trade of animals designated for fattening by district farmers.

Discussions with traders in Sinana revealed that linkages with the export market in Nazareth exist, however The Saudi market is limited to young bulls with light or red skins which are purchased from neighboring District and directly sold to Nazareth traders. Chances for targeting the dark skinned Bale breed large ruminants for the live animal export market are therefore limited

Several restaurants have integrated butchery units into their business. Restaurant owners buy directly from farmers and traders. Actual slaughter of animals takes place in the abattoir. One restaurant owner mentioned that ninety percent of the meat is sold in the restaurants and 10% to outside customers. Price difference between meat sold outside is about Etb 20/kg as compared to inside the restaurant.

The value chain of small ruminants produced by Senana farmers focusses on the District, the domestic market and the export market. Within the District, animals are sold by farmers and/or local traders to restaurant, who slaughter the animals themselves. Especially during festival days, small ruminants are also sold to individual consumers. Traders from the District sell animals in the Mojo market from where they are sold to the export abattoir or the domestic market (mainly Addis). Most animals sold are males between the ages of 6-12 months. Some fattened infertile female ewes “Mesina” were also sold in the local market. Further interviews will examine more carefully the trade of animals designated for fattening by district farmers.

**3 Potential interventions**

Below are a few suggestions for potential interventions to be discussed in the planned platform meetings. Additional, more detailed suggestions may be made once the agribusinesses study has been completed.

Fattening of small and large ruminants does have considerable potential in Sinana District and farmers and other value chain actors appear to have taken up this challenge already. Several supplementary feed resources were identified in the District and linkages can be created between fatteners and the input producers, especially the oilcake factories and wheat bran producers. Attention has to be paid to formulate appropriate fattening mixes and the use of low tech feed mixers may be explored at village level (perhaps with AGP funding). The results of the recently conducted TechFIT study can furthermore provide suggestions for improving supply of fodder from existing or newly planted fodder resources.

The large ruminants’ value chain could possibly be expanded by including production and sale of fattened young male calves. Some farmers in Amhara have started this practice and good examples can also be observed in Alfalfa farm in Debre Zeit. The former USAID financed livestock marketing project also conducted experiments on such fattening in EMDTI. It is proposed that some traders, farmers, research and extension staff are taken to see/discuss with the farm in Debre Zeit and to present its finding in the proposed platform meeting.

A thorough study on the small ruminants’ value chain has been conducted by ICARDA/Senana ARC recently and suggestions have been included to improve the production and value chain linkages. The study did not include the supply of inputs (supplementary feed) and similar as for the large ruminants, feed ratios can be determined to fatten young male animals and oxen.

Once veterinary inputs/services are properly mapped and major drug demands have been established, linkages with producers (fatteners and dairy) can be established.

The dairy value chain in the urban and rural areas is limited to producer – consumer linkages and interventions should be focused on increasing production, which can be assisted by improved supplementary feeding and veterinary services/drugs. Other production improvements are made in the CPA reports, including breed improvements and fertility management.